

Internal Service Funds

Employee Benefits Fund

2005 Cash Balance Statement

In 1993, the employee benefits fund was established. A portion of this fund is dedicated to the administration of the risk management section of the Department of Human Resources. Previously, costs associated with the administration of this section were funded with general fund monies. However, these costs were transferred to the employee benefits internal service fund soon after its creation. This fund's primary source of revenue is the monthly insurance premium paid by each division for all participating employees of the city's insurance program. The transfer of risk management expenditures to this fund more equitably distributes costs associated with insurance activities to all city divisions and funds.

2005 FUND BALANCE SUMMARY

Unencumbered Cash Balance (January 1, 2005)	\$ -
Plus Estimated 2005 Receipts	1,785,648
Total Estimated Available Resources	\$ 1,785,648
Less 2005 Recommended Operating Budget	(1,785,648)
Projected Available Balance (December 31, 2005)	<u>\$ -</u>

Revenue Notes:

- The figures cited above reflect only the revenues and expenditures associated with administration of the risk management section of the Department of Human Resources.
- Revenues and expenditures associated with the payment of claims are not represented in this section.

Print Services Fund

2005 Cash Balance Statement

The print and copy center operates as an internal service fund, with costs supported by billing user agencies for print and copy services provided. The print services fund is projected to begin 2005 with a negative unencumbered cash balance of \$11,508 and is projected to end the year with a balance of \$492. The negative unencumbered cash balance reflects a 112 percent decrease from 2004. Revenue receipts for 2005 are projected to be \$85,903 higher than 2004 receipts.

2005 FUND BALANCE SUMMARY

Unencumbered Cash Balance (January 1, 2005)	\$ (11,508)
Plus Estimated 2005 Receipts	276,038
Plus Estimated Encumbrance Cancellations	<u>12,000</u>
Total Estimated Available Resources	\$ 276,530
Less 2005 Recommended Operating Budget	<u>(276,038)</u>
Projected Available Balance (December 31, 2005)	<u><u>\$ 492</u></u>

Land Acquisition Fund

2005 Cash Balance Statement

Revenues to the land acquisition fund are comprised of charges to other city divisions for land acquisition services. The 2005 revenue estimate is based on a projection of 5,250 hours of services billed at a rate of \$175 per hour. This hourly rate became effective November 8, 2004, and reflects the fact that the division reviews its rate periodically and increases it when necessary to fully recover costs.

2005 FUND BALANCE SUMMARY

Unencumbered Cash Balance (January 1, 2005)	\$ 4,323
Plus Estimated 2005 Receipts	918,750
Plus Estimated Encumbrance Cancellations	<u>15,000</u>
Total Estimated Available Resources	\$ 938,073
Less 2005 Recommended Operating Budget	(782,895)
Projected Available Balance (December 31, 2005)	<u><u>\$ 155,178</u></u>

Technology Services Fund

2005 Cash Balance Statement

The technology services fund is projected to begin 2005 with a negative unencumbered cash balance of \$47,524.

2005 FUND BALANCE SUMMARY

Unencumbered Cash Balance (January 1, 2005)	\$ (47,524)
Plus Estimated 2005 Receipts	20,519,743
Plus Estimated Encumbrance Cancellations	50,000
Total Estimated Available Resources	\$ 20,522,219
Less 2005 Recommended Operating Budget	(20,218,945)
Projected Available Balance (December 31, 2005)	<u>\$ 303,274</u>

Technology Services Fund Pro Forma Operating Statement

During 2003, the Department of Finance, in collaboration with the Department of Technology, engaged a consultant to develop a charge-back methodology for information technology services. The new model was implemented beginning in 2004. In conjunction with the new model for cost recovery, the Department of Technology implemented a time and attendance reporting system for many of its services. In 2005, both the Department of Finance and the Department of Technology are committed to ensuring the continued successful implementation of the rate model.

A pro forma operating statement for the ten-year period beginning in 2005 follows this section. It represents the Technology Director's Office and the Division of Information Service's revenues and expenditures for that period. The major assumptions included are as follows:

- Administrative costs in 2005 are built into the hourly rates for all services.
- Total billable hours for all services are projected to be 67,894 for 2005.
- Hourly rates budgeted for each service category are as follows: desktop support \$150.59; server system administration \$261.78; network connectivity \$456.64; application maintenance \$106.97; account management \$138.50. Help desk and web services are billed on the basis of availability. Production services are based on volume.

- Debt service for terminal replacement, system migration, network expansion, the city's Oracle site license, enterprise-wide network management software, data center renovations, hardware upgrades and mass storage and other similar projects reflects these capital expenditures: \$1,060,000 in 1994; \$1,150,000 in 1996; \$679,467 in 1997; \$2,035,000 in 1998; \$750,000 in 1999; \$500,000 in 2000; \$2,120,000 in 2004; \$5,075,000 in 2005; \$1,780,000 in 2006; \$1,700,000 in 2007 and \$1,175,000 in 2008. Of the amounts listed, \$4,000,000, \$1,200,000, \$1,200,000 and \$1,000,000 is planned for a 311/911 call center in 2005, 2006, 2007 and 2008, respectively.
- Operating expenditures for 2005 and beyond are inflated at a blended rate of 3.8 percent per year, representing the overall effect of inflation of 12 percent for health insurance, 4 percent for personnel costs (exclusive of health insurance), and 3 percent for most other operating expenses.
- Details related to operations for year 2005 and beyond are as follows:

Administration

Provides general administrative support to other functional areas of ISD.

Applications Programming

Supplies development, design, maintenance and enhancements to computer programs and systems.

Computer Operations

Provides continuous operation and maintenance of the city's computer systems, related peripheral equipment, data communications systems and post report printing operations. Includes maintenance and support of city mainframe equipment, lease and maintenance on high-volume printers and Unix software licensing and maintenance.

Help Desk

Centralized help desk offers first level, technical assistance to user agencies, citywide.

End User Computing

Provides advanced citywide desktop support.

Systems Administration

Includes funding for enterprise system management, NT and Unix system administration, account maintenance and hardware and software upgrades. Systems administration budget includes Windows NT support.

Security

Provides enterprise security management through infrastructure security and intrusion detection. Security budget includes security maintenance and anti-virus software.

Mailroom Services

Provides for postage related to citywide mail processing.

Telephone Services

Provides for the purchase of phones for city agencies.

GIS Section

Includes funding for contract project management, software maintenance, and in-house staff.

Metronet

Includes funding for operations and maintenance of the citywide fiber optic network. The metronet budget includes support for equipment maintenance, consulting expertise and in-house staff.

Data Center

Cost of operations including utilities, security and maintenance on the UPS and generator systems.

Enterprise Licensing

Funding for enterprise licenses for Oracle software maintenance and support and Microsoft server licensing.

Account Management

Includes funding for information technology account management personnel and services to customer agencies. Account managers provide customer-specific business process expertise to city agencies.

Web Support

Maintain and support citywide Internet and intranet web applications. Provide Internet web site links for citizens and citywide departments.

Information Services Division Pro Forma Operating Statement												
	Actual 2003	Estimated 2004	Proposed 2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Operating Revenue:												
Data Center Revenue	\$ 11,959,057	\$ 12,504,320	\$ 14,650,849	\$ 15,493,535	\$ 17,087,309	\$ 17,889,367	\$ 18,701,388	\$ 19,201,007	\$ 19,195,675	\$ 18,668,952	\$ 18,929,012	\$ 19,250,118
Postage Revenue	1,279,438	1,321,988	1,348,692	1,486,409	1,542,892	1,601,522	1,662,380	1,725,550	1,791,121	1,859,184	1,929,833	2,003,167
Direct Bill Items	4,419,979	1,912,216	4,520,202	4,691,970	4,870,265	5,055,335	5,247,437	5,446,840	5,653,820	5,868,665	6,091,674	6,323,158
Telephone Services Revenue	5,091	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue	17,663,565	15,738,524	20,519,743	21,671,913	23,500,465	24,546,224	25,611,205	26,373,398	26,640,616	26,396,801	26,950,520	27,576,443
Worker Comp Refund	-	-	-	-	-	-	-	-	-	-	-	-
Insurance/Postage Refund	178,600	-	-	-	-	-	-	-	-	-	-	-
Encumbrance Cancellations	593,335	225,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Other Revenue	1,276	110,000	-	-	-	-	-	-	-	-	-	-
Transfer/Non Billings	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	18,436,776	16,073,524	20,569,743	21,721,913	23,550,465	24,596,224	25,661,205	26,423,398	26,690,616	26,446,801	27,000,520	27,626,443
Beginning Fund Balance	(1,371,320)	169,216	(47,523)	303,275	353,275	403,275	453,275	503,275	553,275	603,275	653,275	703,275
Total Resources	17,065,456	16,242,740	20,522,220	22,025,188	23,903,741	24,999,499	26,114,480	26,926,673	27,243,891	27,050,076	27,653,795	28,329,718
Operating Expenses												
Personnel	5,249,858	8,247,268	-	-	-	-	-	-	-	-	-	-
Supplies	238,495	271,034	-	-	-	-	-	-	-	-	-	-
Services	5,302,002	4,256,930	-	-	-	-	-	-	-	-	-	-
Other	6,084	2,968	-	-	-	-	-	-	-	-	-	-
Equipment	75,155	35,000	-	-	-	-	-	-	-	-	-	-
Administration	-	-	2,036,710	2,114,105	2,194,441	2,277,830	2,364,387	2,454,234	2,547,495	2,644,300	2,744,783	2,849,085
Applications Programming	-	-	2,300,183	2,387,590	2,478,318	2,572,494	2,670,249	2,771,719	2,877,044	2,986,372	3,099,854	3,217,648
Computer Operations	-	-	1,415,386	1,469,171	1,524,999	1,582,949	1,643,101	1,705,539	1,770,350	1,837,623	1,907,452	1,979,936
Security	-	-	304,971	316,560	328,589	341,076	354,036	367,490	381,454	395,950	410,996	426,614
Help Desk	-	-	499,766	518,757	538,470	558,932	580,171	602,218	625,102	648,856	673,512	699,106
End User Computing	-	-	1,490,408	1,547,044	1,605,831	1,666,853	1,730,193	1,795,940	1,864,186	1,935,025	2,008,556	2,084,881
Systems Administration	-	-	1,534,292	1,592,595	1,653,114	1,715,932	1,781,137	1,848,821	1,919,076	1,992,001	2,067,697	2,146,269
Account Management	-	-	446,657	463,630	481,248	499,535	518,518	538,221	558,674	579,903	601,940	624,813
Oracle Services	-	-	497,000	515,886	535,490	555,838	576,960	598,885	621,642	645,265	669,785	695,237
Web Support	-	-	531,875	552,086	573,066	594,842	617,446	640,909	665,264	690,544	716,784	744,022
ColumbusStat	-	-	388,265	403,019	418,334	434,230	450,731	467,859	485,638	504,092	523,247	543,131
Metronet	-	-	901,288	935,537	971,087	1,007,989	1,046,292	1,086,051	1,127,321	1,170,160	1,214,626	1,260,781
Mailroom Services	-	-	1,431,993	1,486,409	1,542,892	1,601,522	1,662,380	1,725,550	1,791,121	1,859,184	1,929,833	2,003,167
Telephone Services	-	-	20,000	20,760	21,549	22,368	23,218	24,100	25,016	25,966	26,953	27,977
GIS Section	-	-	313,766	325,689	338,065	350,912	364,246	378,088	392,455	407,368	422,848	438,917
Technology Director's Office	1,178,234	750,351	902,589	936,887	972,489	1,009,444	1,047,803	1,087,619	1,128,949	1,171,849	1,216,379	1,262,601
Direct Bill Items to Other Fund Agenc	4,106,944	1,912,216	4,520,202	4,691,970	4,870,265	5,055,335	5,247,437	5,446,840	5,653,820	5,868,665	6,091,674	6,323,158
Net Change in Encumbrances	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	16,156,772	15,475,767	19,535,351	20,277,694	21,048,247	21,848,080	22,678,307	23,540,083	24,434,606	25,363,121	26,326,920	27,327,343
Debt Service	739,469	814,496	683,593	1,394,219	2,452,219	2,698,144	2,932,898	2,833,315	2,206,010	1,033,680	623,600	249,100
Total Expenses	16,896,241	16,290,263	20,218,944	21,671,913	23,500,465	24,546,224	25,611,205	26,373,398	26,640,616	26,396,801	26,950,520	27,576,443
Annual Surplus/Deficit	1,540,535	(216,739)	350,799	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ending Fund Balance	\$ 169,216	\$ (47,523)	\$ 303,275	\$ 353,275	\$ 403,275	\$ 453,275	\$ 503,275	\$ 553,275	\$ 603,275	\$ 653,275	\$ 703,275	\$ 753,275

Fleet Management Fund

2005 Cash Balance Statement

The fleet management services fund is projected to end 2004 with a positive unencumbered cash balance of \$21,450. The fleet management fund is projected to end 2005 with a negative unencumbered cash balance of \$290,554. The negative balance is due entirely to the 27th pay period in 2005. While the funds for the additional pay period will be encumbered in 2005, they will not be billed to user divisions until 2008.

2005 FUND BALANCE SUMMARY

Unencumbered Cash Balance (January 1, 2005)	\$ 21,450
Plus Estimated 2005 Receipts	20,920,508
Plus Estimated Encumbrance Cancellations	<u>100,000</u>
Total Estimated Available Resources	\$ 21,041,958
Less 2005 Recommended Operating Budget	(21,332,512)
Projected Available Balance (December 31, 2005)	<u><u>\$ (290,554)</u></u>

2005 Revenue Summary

The Fleet Management Division recovers its costs by billing user divisions for services provided. The revenue includes a \$54 per hour labor rate, a 22 percent mark-up on parts, a 5 percent mark-up on commercial services and credit card fuel purchases, and a fuel overhead rate of \$.24 per gallon for bulk fuel.

Revenues, including the unencumbered cash balance and encumbrance cancellations, will total \$21,041,958 in 2005, an increase of 7.6 percent over the 2004 projection.

FLEET MANAGEMENT REVENUE BY SOURCE AND YEAR HISTORICAL AND PROJECTED 2002-2005				
REVENUE SUMMARY	2002 Actual	2003 Actual	2004 Estimated	2005 Proposed
Public Safety	\$ 7,514,537	\$ 7,957,845	\$ 8,301,047	\$ 8,943,211
Refuse Collection	5,303,848	5,382,256	4,979,725	5,351,248
Other General Fund	1,394,109	1,487,828	1,018,842	1,089,535
Other Funds	3,940,525	4,378,908	4,792,757	5,474,514
Refunds/Miscellaneous	121,015	63,255	63,373	62,000
Insurance Adjustment	-	300,200	-	-
Unencumbered Cash Balance	1,090,405	343,335	214,108	21,450
Encumbrance Cancellations	574,060	212,710	158,946	100,000
Bond Proceeds	-	-	-	-
TOTAL RESOURCES	\$ 19,938,499	\$ 20,126,337	\$ 19,528,798	\$ 21,041,958
PERCENT CHANGE		0.94%	-2.97%	7.75%

Fleet Management Services Fund Pro Forma Operating Statement

A pro forma operating statement for the ten-year period beginning in 2005 is presented on the following pages. It represents the Division of Fleet Management's projected revenues and expenditures for that period, given certain assumptions. This document is essential in planning recovery rate percentage increases or decreases and for maintaining an acceptable end of year balance. The major assumptions included in this pro forma are as follows:

- Operations and maintenance expenses, excluding health insurance, are inflated at three percent per annum. Health insurance costs will grow by 12 percent after 2005.
- Debt service principal and interest have been broken out separately. The debt service principal and interest payments represent reimbursement to the special income tax fund for the retirement of bonds issued to design and construct the division's new facility.
- Debt service payments for design and architectural services for a new fleet facility began in 1999. An additional \$700,000 in debt is projected to be issued in 2005 for further costs associated with design services. Debt will also be issued in 2006 for construction costs.
- The recovery rates in the pro forma are adjusted as necessary in order for the division to maintain positive year-end unencumbered cash balances (less the monies encumbered for the 27th pay period that will not be billed until 2008). This pro forma indicates a 7.6 percent increase in revenues in 2005 and a 4.5 percent increase in 2006 as necessary to meet that goal. The following years project increases in revenues to maintain a positive balance.

DIVISION OF FLEET MANAGEMENT PRO FORMA OPERATING STATEMENT													
REVENUE SOURCE	Actual 2002	Actual 2003	Estimated 2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
MAINTENANCE SERVICE CHARGES					4.50%	7.50%	7.00%	3.00%	3.00%	3.85%	3.75%	3.00%	0.00%
Public Safety	\$ 7,514,537	\$ 7,957,845	\$ 8,301,047	\$ 8,943,211	\$ 9,345,655	\$ 10,046,580	\$ 10,749,840	\$ 11,072,335	\$ 11,404,506	\$ 11,843,579	\$ 12,287,713	\$ 12,656,345	\$ 12,656,345
Refuse Collection	5,303,848	5,382,256	4,979,725	5,351,248	5,592,054	6,011,458	6,432,260	6,625,228	6,823,985	7,028,704	7,239,566	7,456,753	7,680,455
Other General Fund Divisions	1,394,109	1,487,828	1,018,842	1,089,535	1,138,564	1,223,956	1,309,633	1,348,922	1,389,390	1,431,072	1,474,004	1,518,224	1,563,771
Other Funds	3,940,525	4,378,908	4,792,757	5,474,514	5,720,867	6,149,932	6,580,427	6,777,840	6,981,175	7,190,611	7,406,329	7,628,519	7,857,374
State Highway Fuel Tax Refund	45,093	49,898	51,327	50,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
Miscellaneous Revenues	75,922	13,357	12,046	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657
Insurance Refund		300,200											
Bond Proceeds													
TOTAL REVENUE	18,274,034	19,570,292	19,155,743	20,920,508	21,904,501	23,539,657	25,180,274	25,932,832	26,707,967	27,603,294	28,517,370	29,370,041	29,868,602
Beginning Fund Balance	1,090,405	343,335	214,107	21,450	(290,554)	(214,395)	(138,913)	54,145	142,532	153,515	151,150	157,771	11,935
Encumbrance Cancellations	574,060	212,710	158,946	100,000	275,000	275,000	275,000	275,000	275,000	275,000	275,001	275,002	275,002
TOTAL RESOURCES	19,938,500	20,126,336	19,528,796	21,041,958	21,888,947	23,600,263	25,316,361	26,261,977	27,125,500	28,031,810	28,943,521	29,802,815	30,155,539
EXPENDITURES													
Operations and Maintenance													
Personnel Services	5,881,457	6,335,728	6,174,865	7,041,048	7,322,690	7,615,598	7,920,221	8,157,828	8,402,563	8,654,640	8,914,279	9,181,707	9,457,159
Health Insurance	863,269	913,116	873,842	972,489	1,089,188	1,219,890	1,366,277	1,530,230	1,713,858	1,919,521	2,149,863	2,407,847	2,696,789
Materials & Supplies	9,177,019	8,795,139	9,083,264	9,630,865	9,919,791	10,217,385	10,523,906	10,839,623	11,164,812	11,499,756	11,844,749	12,200,092	12,566,094
Services	3,196,784	3,434,249	2,869,646	3,094,399	3,187,231	3,282,848	3,381,333	3,482,773	3,587,257	3,694,874	3,805,720	3,919,892	4,037,489
Other Disbursements	2,167	-	-	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219
Capital	57,320	-	250	62,000	-	25,000	-	25,000	-	25,000	-	25,000	25,000
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operations & Maintenance	19,178,016	19,478,233	19,001,867	20,804,801	21,523,020	22,364,964	23,196,109	24,039,957	24,873,127	25,798,568	26,719,531	27,739,605	28,787,749
Director's Office	363,074	403,397	454,066	477,798	496,910	516,786	537,458	558,956	581,314	604,567	628,750	653,900	680,056
Debt Service													
Principal	30,000	7,799	30,000	30,000	30,000	65,000	775,000	770,000	770,000	770,000	770,000	770,000	30,000
Interest	24,075	22,800	21,413	19,913	53,413	792,425	753,650	750,531	747,544	707,525	667,469	627,375	8,925
Total Debt Service	54,075	30,599	51,413	49,913	83,413	857,425	1,528,650	1,520,531	1,517,544	1,477,525	1,437,469	1,397,375	38,925
TOTAL EXPENSES	19,595,165	19,912,229	19,507,346	21,332,512	22,103,342	23,739,175	25,262,217	26,119,444	26,971,985	27,880,659	28,785,750	29,790,880	29,506,730
ENDING FUND BALANCE	\$ 343,335	\$ 214,107	\$ 21,450	\$ (290,554)	\$ (214,395)	\$ (138,913)	\$ 54,145	\$ 142,532	\$ 153,515	\$ 151,150	\$ 157,771	\$ 11,935	\$ 648,809